



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

## **House Armed Services Committee Minority Summary for the Fiscal Year 2027 National Defense Authorization Act**

To ensure the military services can innovate and field capabilities faster, we must continue our bipartisan work to reduce costs, cut through red tape, and give U.S. service members what they need when they need it for our national security and national defense. Building on last year's reforms, the base bill focuses on bolstering the foundations necessary for lasting success: a resilient industrial base, a highly capable acquisition workforce, and modern acquisition practices.

Innovation, technology, and modernization continue to be prioritized, along with our domestic industrial base and our military readiness. It authorizes over \$219 billion in research, development, test, and evaluation (RDT&E) funding to meet immediate and projected force protection challenges. It includes over \$25 billion in funding for science and technology (S&T) programs, including over \$125 million for Historically Black Colleges and Universities and Minority Serving Institutions (HBCUs). It invests more than \$25 billion in military construction projects, more than \$60 billion in shipbuilding funding, and more than \$19 billion for tactical air and land forces procurements.

It maintains numerous oversight measures, including an effort to compel the Department of Defense (DoD) to report execute orders to Congress by fencing the Secretary of Defense's travel budget until the secretary certifies to the congressional defense committees that such compliance has been met.

To improve quality of life needs for service members, military families, and civilian personnel, the base bill continues the committee's focus on pay and compensation, housing, health care, childcare, education, and support for civilian personnel. That includes a 7% raise for noncommissioned officers and junior enlisted service members, 6% for service members who rank E-6 to O-3, and 5% for O-4s and above. It excludes the Basic Housing Allowance from service members' household income for determining eligibility for the Basic Needs Allowance, which provides supplemental income to low-income military families. It authorizes over \$2 billion in new construction of barracks, dormitories, and military housing; \$50 million for local educational agencies with military dependent students; and \$20 million for local educational agencies eligible to receive payment for children with severe disabilities.

To ensure the United States continues to keep pace in the Indo-Pacific and European regions and work with allies and partners, the base bill text authorizes \$1 billion for the Taiwan Security Cooperation Initiative and \$210 million for European security cooperation, with \$175 million for the Baltic Security Initiative.



United States *House of Representatives*

**HOUSE ARMED SERVICES COMMITTEE DEMOCRATS**

*Adam Smith, Ranking Member*

**TABLE 1: FY27 NDAA Funding Levels**

<b>Budget Item</b>	<b>Amount</b>
DoD Discretionary Base	\$1.100 trillion
DoE Discretionary Base	\$41.4 billion
Defense-Related Activities	\$568 million
<b>FY27 NDAA Discretionary Topline*</b>	<b>\$1.142 trillion</b>

\*Does not include national defense authorizations outside of HASC jurisdiction and other adjustments.

## **Summary of FY27 NDAA Provisions**

### **INVESTS IN ACQUISITION REFORM AND AMERICAN INDUSTRIAL BASE**

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The FY27 NDAA continues our commitment to building on federal investments in military readiness and our American industrial base while continuing reform of the military acquisition system. Supporting infrastructure projects, industrial base resilience, and improving infrastructure continues to underpin defense innovation. Addressing outdated systems and paralyzing bureaucracy ensures the U.S. can continue to focus on modernization, including building on scientific and technological developments so that we are able to keep pace with key competitors and deliver capabilities to service members when and where they need it.

It directs the DoD to reevaluate longstanding practices and determine whether they remain effective for today's evolving industrial base and modern workforce needs, including expanding the use of modular open systems architecture to improve interoperability, competition, and long-term sustainment. It strengthens military readiness by expanding avenues for the DoD to pursue reverse engineering and advanced manufacturing while establishing a structured process to bring together stakeholders on both sides of the right-to-repair debate, creating a pathway to resolve disputes and ensure the government receives the technical data and sustainment capabilities it has paid for. The bill also increases leadership focus on sustainment throughout the acquisition lifecycle by requiring early validation of sustainment needs, annual assessments of readiness requirements and material objectives, and analyses of deficiencies and root causes to identify the specific parts, services, software, and data rights needed to meet mission requirements. The bill increases clarity,



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

transparency, and consistency in the acquisition process by revisiting compliance requirements that create unnecessary barriers to doing business with the DoD.

It strengthens the DoD's ability to protect and bolster the defense industrial base by improving its capacity to assess, anticipate, and respond to supply chain risks, including those posed by adversarial capital. It also enhances the organization, functions, and authorities of an interagency body to support the timely identification of threats posed by foreign adversaries in U.S. supply chains. The bill further expedites the qualification of new critical mineral sources while streamlining the waiver process.

The base bill further requires the DoD to address growing concerns with the munitions industrial base, specifically with the fragility and limitations of solid rocket motor suppliers, by seeking to impose second-sourcing requirements for several critical munitions. It also requires a working group to be established to improve the certification process for new entrants and motors. Building on last year's efforts to send a more consistent demand signal, it authorizes multi-year procurements for many munitions.

## **Infrastructure**

The FY27 NDAA authorizes more than \$25 billion for military construction projects, including:

- Over \$2 billion for new construction of quality-of-life infrastructure including barracks, dormitories, and government-owned family housing;
- \$422 million for environmental cleanup at Base Realignment and Closure (BRAC) sites, including a \$50 million addition for Navy BRAC; and
- \$694 million for the Energy Resilience and Conservation Investment Program.

## **Maintenance, Logistics, and Sustainment**

To ensure we can maintain forces, equipment, and operations to meet evolving challenges requires renewed focus on logistics, maintenance, and sustainment needs.

The base bill requires:

- Funding for Army Prepositioned Stocks in Europe (APS-2) to remain in Europe and a plan to maintain all necessary maintenance on APS-2 equipment in the European theater;
- Directs the GAO to assess the military services' ability to operate in the Arctic region;
- The Secretary of Defense to develop a strategy to support the sustainment and maintenance of F-35 aircraft in contested operating environments;



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

- All future budgets to display Navy surface combat ship maintenance by individual ships to provide transparency on maintenance investments by each surface ship;
- The GAO to annually review the costs, progress, and project status of the Navy's Shipyard Infrastructure Optimization Program;
- The Secretary of the Navy to provide a strategy to integrate additive manufacturing into the sustainment of the amphibious fleet;
- The GAO to provide a report on the DoD's use of additive manufacturing and AI technologies at the military depots; and
- Requires the Secretary of Defense to provide an assessment on the DoD's grid resilience to severe weather conditions to ensure military readiness is not impacted.

### **Seapower and Projection Forces**

The FY27 NDAA authorizes over \$60 billion in shipbuilding funding, including the procurement of one Columbia Class Submarine, two Virginia Class Submarines, and 13 auxiliary and support ships, including fuel tankers, ship to shore connectors, and oilers, as well as:

- \$250 million for sonobuoys;
- \$500 million for an additional Arleigh Burke Class Destroyer;
- \$70 million to fund additional efforts to revitalize the nation's submarine workforce through pipeline training;
- \$4.2 billion for 12 additional P-8 Poseidon aircraft;
- \$2 billion for six additional E-2D Advanced Hawkeye aircraft and advanced procurement for a total of 12 aircraft in future years;
- \$760 million for spares to improve readiness across vessel classes;
- Requires the DoD to provide a strategy for iterative development of the FF(X) Class Frigates to include additional capabilities such as vertical launch systems and improved sensors;
- Limits the construction of a battleship until the Secretary of the Navy certifies that weapons systems planned for inclusion in the lead ship are at a mature technological readiness level;
- Provides multi-year procurement authority for Arleigh Burke Class Destroyers and John Lewis Class Oilers to ensure industrial base stability;
- Provides contract authority to make block purchases of amphibious vessels, submarine tenders, and E-2D Advanced Hawkeye aircraft to ensure both workforce stability and a regular cadence of ship and aircraft production;



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

- Provides authority to incrementally fund both Virginia Class Submarines and Arleigh Burke Class Destroyers to ensure continuous uninterrupted work and stability to the industrial base;
- Requires the Navy to develop a strategy including concepts of operation and employment for unmanned surface vessels across all use cases and update the defense committees annually on the implementation of that strategy;
- Requires the Air Force to conduct an analysis of alternatives for next-generation airlift capabilities to replace the aging C-5 and C-17 programs;
- Requires the Navy to develop and implement a strategy for how it will use distributed shipbuilding; and
- Modifies the authority to purchase used vessels with the National Defense Sealift Fund to allow the purchase of more than 12 used vessels, conditioned on the construction of 2 new vessels in the United States for every used vessel purchased.

### **Tactical Air and Land Forces**

The FY27 NDAA authorizes over \$19.7 billion for key tactical air and land forces procurements that include:

- \$4.305 billion for 7 UH-60M Blackhawks, 5 MH-47G Chinooks, 7 CH-47F Block II Chinooks, 8 MH-139s, and 22 CH-53K King Stallions;
- \$3.388 billion for 24 F-35A, and 8 F-35C aircraft;
- \$529.4 million for 23 T-7 Advanced Trainer aircraft;
- \$660.3 million for 3 Compass Call aircraft;
- \$3.915 billion for 196 Armored Multi-Purpose Vehicles, 22 M1A2 SEPv3 Abrams tanks, 19 XM-30s, 10 M88s, 14 Maneuver, Short Range Air Defense, and 96 HIMARS systems.
- \$2.087 billion for 680 Precision Strike Munitions, 551 JAGMs, 1509 Javelins, and 103 Naval Strike Munitions; and
- \$4.904 billion for 144 AIM-120s, 954 AIM-9Xs, JATM procurement, 240 LRASMs, 491 JASSMs, 100 JSMs, and 155 SIAWs.

Additionally, it authorizes \$9.7 billion for continued development of key tactical air and land forces systems that include:

- \$2.267 billion for the MV-75 tiltrotor aircraft;
- \$4.971 billion for the F-47 sixth-generation fighter;
- \$2.036 billion for the F-35 Joint Strike Fighter; and
- \$462.3 million for next generation adaptive propulsion.



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

The base bill further:

- Requires the Secretary of the Army to submit an annual report to Congress on the Army Transformation Initiative, including:
  - An assessment of adjustments as a result of changes to national, defense, or military strategy;
  - An inventory and assessment of exercise and experimentation;
  - An inventory of capability and capacity divestments;
  - An inventory of planned investments in new capabilities; and
  - An assessment of how investments will contribute to the Joint Force.
- Authorizes multiyear procurement authority for the F-35 and F-15EX programs contingent on certification from the Secretary of Defense that a full complement of spare parts will be procured for each aircraft contained in the contracts;
- Requires the Secretary of Defense to report to Congress on a plan to address all recommendations contained in the historical GOA reports on the F-35 Joint Strike Fighter; and
- Requires the Joint Energetics Transition Office to accelerate the process to develop, qualify, and integrate novel energetics.

### **Strategic Forces**

The FY27 NDAA requires the DoD to centralize oversight of Position, Navigation, and Timing efforts across the Services to a single individual that reports to the Deputy Secretary to address programmatic failures across satellite, ground, and terminal programs to deliver more resilient GPS signals to address future threats. It continues to address launch cadence for National Security space missions by establishing a Spaceport of the Future enduring program and requiring reports on launch infrastructure priorities. It increases funding for the Commercial Space Office and restores funding for the Next-Generation Polar Satellites following Space Force's budget cancellation.

The base bill text supports the safety and security of the U.S. Nuclear Deterrent by requiring a briefing on the DoD's role in an inter-agency approach to establishing Arms Control with the People's Republic of China. It also prohibits the reclassification of waste at the Hanford site in Washington state to ensure the Department of Energy properly treats and disposes of millions of gallons of radioactive waste stored at the site. And it increases funding for nuclear clean-up projects.

### **INVESTS IN PEOPLE**

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United States *House of Representatives*

**HOUSE ARMED SERVICES COMMITTEE DEMOCRATS**

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The priorities of House Armed Services Committee Democrats continue to be defined by the belief that people—the service members and their families making enormous sacrifices every day so that we are safe, the workers powering America’s defense industrial base, the civil servants across the DoD working tirelessly to protect our country, and the scientists and researchers building the technologies of the future—are the greatest source of strength for America’s defense.

To ensure we can continue to recruit and retain the diverse and talented people we need, the base bill focuses on pay and compensation, health care, childcare, and civilian support.

### **Pay and Compensation**

- Authorizes a 7% pay raise for all military personnel ranked E-5 and below;
  - 6% for E-6 to O-3; and
  - 5% for O-4 and above.
- Excludes the Basic Housing Allowance from the calculation of a service member’s household income for determining eligibility for the Basic Needs Allowance; and
- Requires increased communication about food resources, childcare options, and relocation assistance programs for service members through a permanent change of station.

### **Education and Childcare**

#### **JROTC and STEM**

- Requires the DoD to develop a program to assist Junior Reserve Officers’ Training Corps (JROTC) units in providing opportunities in science, technology, engineering, and mathematics.

#### **Access to Childcare**

- Expands access to childcare by including the Department of State Au Pair program as an eligible childcare option for military families who participate in the Childcare in Your Home Pilot Program.
- Establishes a Student Internship Program to improve the pipeline of military childcare providers.

#### **Impact Aid**

- Authorizes \$50 million for the purpose of aiding local educational agencies with military-dependent students, and \$20 million for local educational agencies eligible to receive payment for children with severe disabilities.



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

## Health Care

- Provides no-cost dental coverage under TRICARE for members of the Reserve Component in the grades of E-1 through E-4;
- Authorizes two pilot programs targeted at improvements to obstetrical and gynecological care for TRICARE beneficiaries;
- Prohibits the DoD from limiting or eliminating services at Military Treatment Facilities in and outside of the United States;
- Establishes a pilot to increase civilian staffing at Military Treatment Facilities;
- Expands the use of the Automated External Defibrillators during military physical training;
- Establishes and expands reporting requirements by the Defense Health Agency as it relates to access to care; military and civilian staffing; and provider readiness;
- Protects funding for the Defense Health Program by establishing the Combat and Operational Medicine Program (COMP) and the Private Sector Care Program appropriations;
  - COMP finances military-unique programs that form the heart of military medicine's combat support function in support of the Joint Fight and service members;
  - The Private Sector Care Program (PSCP) appropriation provides funding for health care services delivered to eligible TRICARE beneficiaries by authorized civilian health care professionals, institutions, and pharmacies.
- Ensures consistent evaluations of medical malpractice claims.

## Civilian Personnel

- Establishes a pilot program to expedite recruitment of talent in critical technology areas such as artificial intelligence, cybersecurity, business process innovation, biotechnology, materials and manufacturing; and
- Improves the DoD's ability to increase their audit readiness by establishing a Financial Management Skills Assessment Integrated Product Team.

## INVESTS IN SCIENCE AND TECHNOLOGY

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The bill provides science and technology budget certification and review authority to the Under Secretary of Defense for Research and Engineering (USD(R&E)). This authority gives USD(R&E) the ability to put forward and enforce minimum levels of S&T funding. It authorizes \$219.4 billion for RDT&E, including \$25.86 billion for S&T. It also includes



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

authorization for an increase of \$26 million for HBCUs over the administration's request, bringing the total to \$125.7 million.

It requires a re-examination and update of the policy framework that underpins the deployment of autonomy and artificial intelligence systems and capabilities across the DoD. As part of this update, the DoD is required to establish risk-informed requirements for approval, oversight, testing, human involvement, auditability, operational use, and rapid revalidation of such systems. Separate provisions require the Chief Digital and Artificial Intelligence Officer to establish a framework to enable rapid assessment, deployment, and governance of artificial intelligence (AI) systems and require the DoD to establish a program to report, track, analyze, and remediate artificial intelligence incidents and vulnerabilities.

The bill directs the Secretary of Defense to review and streamline the DoD's cybersecurity, information technology, network defense, and defensive cyber operations responsibilities to establish clear accountability, reduce duplication and fragmentation, and improve the alignment and integration of cybersecurity efforts across the DoD. The bill also requires the creation and implementation of a roadmap to modernize classified networks.

The bill enhances the accessibility and transparency of the test and evaluation enterprise by requiring the Test Resource Management Center (TRMC) to establish and maintain a central repository of test and evaluation assets across the United States, including defense-relevant facilities not managed by the DoD. It also authorizes the creation of regional test and evaluation hubs.

## **INVESTS IN ALLIES AND PARTNERS**

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The FY27 NDAA authorizes and builds on crucial investments in the United States' alliances and partnerships for the benefit of our national defense and to promote peace and stability around the world. That includes authorization for \$1 billion for the Taiwan Security Cooperation Initiative and continuing related reporting requirements. It enhances congressional oversight by extending the current funding limitation on modifications to U.S. force posture on the Korean peninsula through FY27 and by extending the current funding limitation on material modifications to the regional combatant commands through FY27. In Europe, the FY27 NDAA base bill text secures \$210 for EUCOM security cooperation with \$175 million assured for the Baltic region, extends limitations on EUCOM force posture reductions, and requires prepositioned equipment in Europe to remain in place.



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

## **OVERSIGHT**

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The duty of Congress to provide oversight over the people and programs that provide for our national security and national defense is among the most important obligations we must fulfill. The base bill text compels the DoD to report execute orders to Congress by fencing the Secretary of Defense's travel budget until the secretary certifies to the congressional defense committees that such compliance has been met.

It includes oversight efforts on a variety of other critical issues, from the use of artificial intelligence to ensuring that military personnel aren't profiting from military action. It requires regular briefings and reports to Congress on issues including support to the Department of Homeland Security at the U.S. border. And it seeks to ensure greater fairness and accountability in the military justice system by expanding legal protections for service members who are deployed in armed conflicts, victims of crimes, and tenants in privatized housing.

Oversight of major defense acquisition systems include reporting requirements for the F-35 program, analysis of alternatives for next-generation airlift capabilities to replace the aging C-5 and C-17 programs, and limiting the construction of the battleship until the Secretary of the Navy certifies that weapons systems planned for inclusion in the lead ship are at a mature technological readiness level. It also authorizes the establishment of a Joint Task Force Audit to oversee and execute the plan to achieve a clean audit for the DoD by the statutory deadline of December 31, 2028, including elimination of legal financial systems and the use of artificial intelligence, automation, and data analytics to resolve audit issues.